

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 7297**

**BILL NUMBER:** HB 1127

**NOTE PREPARED:** Dec 29, 2004

**BILL AMENDED:**

**SUBJECT:** Insurance for Volunteer EMTs.

**FIRST AUTHOR:** Rep. Harris T

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** This bill requires a county, municipality, or township that uses a volunteer ambulance company to purchase a policy of insurance to cover each volunteer emergency medical technician (EMT) who is a member of the volunteer ambulance company.

**Effective Date:** January 1, 2006.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** The bill requires local units of government that use an ambulance service company to provide insurance coverage for volunteer EMTs. Current law already provides that volunteer firefighters and EMTs working in a volunteer capacity for a volunteer fire department or ambulance company are to be covered by the medical treatment and burial expense provisions of the Worker's Compensation Law and the Worker's Occupational Diseases Law.

The policy benefit requirements specified in the bill are similar to the required insurance coverage currently afforded volunteer firefighters. The insurance coverage required is:

- Total disability coverage - payments of \$250 per week for 260 weeks.
- Medical expense coverage - not to be less than \$75,000.
- Death benefit of \$150,000.
- Total and permanent disability coverage - payment of \$150,000.

- Partial disability coverage - proportional rate of \$150,000.

The minimum level of coverage required by the bill is estimated to cost between \$2,000 and \$5,000 per year per unit purchasing such group coverage, depending upon department size. This estimate is based on the cost of similar coverage provided volunteer firefighters. As a result, the actual cost of coverage for volunteer EMTs could potentially vary from the estimated range due to differences in risk and claims experience. In addition, many volunteer EMTs could be included in the blanket policies currently held by their respective towns or fire departments or purchased by these entities in the future. Thus, the total cost may be lower than estimated.

There were about 14,276 EMTs and 1,284 Advanced EMTs throughout the state on January 5, 2004. Approximately 7,850 are thought to be volunteers. The cost of the policy benefit requirements specified in the bill that may be over and above what is currently provided to EMTs is not known and depends on the circumstances in the specific ambulance service companies providing services to local units of government. It is estimated that about 350 local units use an ambulance service company.

Total cost to local units of government is unknown and is contingent upon whether the unit currently provides these benefits and, if so, whether the benefits meet or exceed the minimums set in this bill.

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:** Counties, Municipalities, and Townships.

**Information Sources:** Mike Garvey, State Emergency Management Agency, (317) 232-3983; Marge Berks, T.R. Downey and Associates, (800) 382-8837.

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